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Trans.
DO PASS PER AMEND
3-16-89 (p. 828)

SENATE FILE 408
BY FUHRMAN and WELSH

Passed Senate, Date 3-27-89 (p. 1018) Passed House, Date 4-14-89 (p. 1608)
Vote: Ayes 49 Nays 0 Vote: Ayes 80 Nays 16
Approved 5-5-89

A BILL FOR

1 An Act relating to roads, including roads identified by the state
2 transportation commission as a network of commercial and
3 industrial highways, by establishing the purpose of the
4 network, by providing the terms for the improvement of the
5 network, and by altering concurrent jurisdiction of extensions
6 of primary roads in municipalities.

SENATE FILE 408

S-3285

1 Amend Senate File 408 as follows:
2 1. Page 1, by striking lines 14 and 15 and
3 inserting the following: "thereof."
4 When the two parties cannot initially come to
5 agreement as to the division of costs under this
6 subsection, they shall contract with an organization
7 in this state to provide mediation services. The
8 costs of the mediation services shall be equally
9 allocated between the two parties. If after
10 submitting to mediation the parties still cannot come
11 to agreement as to the division of costs, the mediator
12 shall sign a statement that the parties did not reach
13 an agreement, and the parties shall then submit".
14 2. Page 5, by striking line 5 and inserting the
15 following: "transferred as to the necessary repairs,
16 they shall contract with an organization in this state
17 to provide mediation services. The costs of the
18 mediation services shall be equally allocated between
19 the parties. If after submitting to mediation the
20 parties still cannot come to agreement as to the
21 necessary repairs, the mediator shall sign a statement
22 that the parties did not reach an agreement, and the
23 parties shall then submit the".

By COMMITTEE ON TRANSPORTATION
C. JOSEPH COLEMAN, Chairperson

S-3285 FILED MARCH 16, 1989
ADOPTED 3-27-89 (P. 1018)

1 Section 1. Section 306.4, subsection 3, Code 1989, is
2 amended to read as follows:

3 3. Jurisdiction and control over the municipal street
4 system shall be vested in the governing bodies of each
5 municipality; except that the department and the municipal
6 governing body shall exercise concurrent jurisdiction over the
7 municipal extensions of primary roads in all municipalities.
8 ~~The parties exercising~~ When concurrent jurisdiction shall
9 ~~enter into agreements with each other~~ is exercised, the
10 department shall consult with the municipal governing body as
11 to the kind and type of construction, reconstruction, repair,
12 and maintenance and the two parties shall enter into
13 agreements with each other as to the division of costs
14 thereof. When the two parties cannot come to agreement as to
15 the division of costs under this subsection, they shall submit
16 the matter for binding arbitration to a mutually agreed-upon
17 third party. If the parties cannot agree upon a third-party
18 arbitrator, they shall submit the matter to an arbitrator
19 selected under the rules of the American arbitration
20 association.

21 Sec. 2. Section 306.9, Code 1989, is amended to read as
22 follows:

23 306.9 DIAGONAL ROADS -- RESTORING AND IMPROVING EXISTING
24 ROADS.

25 ~~It is declared to be~~ the policy of the state of Iowa that
26 relocation of primary highways through cultivated land shall
27 be avoided to the maximum extent possible. ~~Whenever~~ When the
28 volume of traffic for which the road is designed or other
29 conditions, including designation as part of the network of
30 commercial and industrial highways, require such relocation,
31 diagonal routes shall be avoided ~~whenever~~ if feasible and
32 prudent alternatives consistent with efficient movement of
33 traffic exist.

34 ~~It is further declared that~~ The improvement of two-lane
35 roads shall utilize the existing ~~right-of-way~~ right-of-way

1 unless alignment or other conditions, including designation as
2 part of the network of commercial and industrial highways,
3 make changes imperative, and when any a two-lane road is
4 expanded to a four-lane road, the normal procedure would shall
5 be that the additional right-of-way-would right-of-way be
6 contiguous to the existing right-of-way right-of-way unless
7 relocated for compelling reasons, including the need to
8 provide efficient movement of traffic on the network of
9 commercial and industrial highways. This policy ~~shall~~ does
10 not apply to any a highway project for which the corridor has
11 been approved by the state department of transportation and
12 which the corridor has been finalized by September 1, 1977.

13 It is ~~further-declared-to-be~~ the policy of the state of
14 Iowa that on construction of roads classified as freeway-
15 expressway and which are designed with four-lane divided
16 roadways, access controls shall be limited to the minimum
17 level necessary as determined by the department to ensure the
18 safe and efficient movement of traffic or to comply with
19 federal aid requirements.

20 Unless otherwise required by the federal law or regulation,
21 it is also the policy of this state that road use tax fund
22 moneys shall be used to rehabilitate or reconstruct existing
23 roads, streets, and bridges using substantially existing right
24 of-way right-of-way. This paragraph ~~shall~~ does not apply
25 where additional right-of-way right-of-way is needed for the
26 construction or completion of designated interstate or city
27 routes and highway bypasses or highways designated as part of
28 the network of commercial and industrial highways.

29 Sec. 3. Section 307.36, Code 1989, is amended to read as
30 follows:

31 307.36 PROJECT NEEDS -- RETENTION OF PROPERTY.

32 It is the intent of the general assembly that not later
33 than July 1, 1992, the state department of transportation
34 shall dispose of all right-of-way owned by the department and
35 not needed for projects. In determining need, the department

1 shall consider both its five-year program requirements and its
2 long-range, statewide corridor development needs, including
3 the development of the network of commercial and industrial
4 highways. The department may also act to preserve right-of-
5 way for improvements to the network of commercial and
6 industrial highways by acquiring options, easements, rights of
7 first refusal, or other property interests less than fee
8 title. In determining need based upon long-range, statewide
9 corridor development, the department shall give careful
10 consideration to economically depressed urban areas not served
11 directly by the national system of interstate and defense
12 highways.

13 Sec. 4. Section 307A.2, subsection 14, unnumbered
14 paragraph 2, Code 1989, is amended to read as follows:

15 15. The commission shall identify Identify, within the
16 primary road system, a network of commercial and industrial
17 highways in accordance with section 313.2A. The improvement
18 of this network shall be considered in the development of the
19 long-range program and plan of improvements under this
20 section.

21 Sec. 5. NEW SECTION. 313.2A COMMERCIAL AND INDUSTRIAL
22 HIGHWAYS.

23 1. PURPOSE. It is the purpose of this section to enhance
24 opportunities for the development and diversification of the
25 state's economy through the identification and improvement of
26 a network of commercial and industrial highways. The network
27 shall consist of interconnected routes which provide long
28 distance route continuity. The purpose of this highway
29 network shall be to improve the flow of commerce; to make
30 travel more convenient, safe, and efficient; and to better
31 connect Iowa with regional, national, and international
32 markets. The commission shall concentrate a major portion of
33 its annual construction budget on this network of commercial
34 and industrial highways. In order to ensure the greatest
35 possible availability of funds for the improvement of the

1 network primary highway funds shall not be spent beyond
2 continuing maintenance for improvements to route segments that
3 will be bypassed by the relocation of portions of the
4 commercial and industrial highway network except as provided
5 in subsection 4.

6 2. NETWORK SELECTION. The commission shall identify,
7 within the primary road system, a network of commercial and
8 industrial highways. The commission shall consider all of the
9 following factors in the identification of this network:

10 a. The connection by the most direct routes feasible of
11 major urban areas and regions of the state to each other and
12 to the national system of interstate and defense highways and
13 priority routes in adjacent states.

14 b. The existence of high volumes of total traffic and
15 commercial traffic.

16 c. Long distance traffic movements.

17 d. Area coverage and balance of spacing with service to
18 major growth centers within the state.

19 The network of commercial and industrial highways shall not
20 exceed two thousand five hundred miles including municipal
21 extensions of these highways.

22 3. STANDARDS. The department shall establish standards
23 pertaining to the specific location, design, and access
24 control for each segment of the commercial and industrial
25 highways.

26 4. JURISDICTIONAL TRANSFERS. When the construction,
27 reconstruction, relocation, or other improvement to the
28 network of commercial and industrial highways results in a
29 change in the function of a bypassed primary road, municipal
30 extension of a primary road, or other connecting road, the
31 department, upon approval of the state transportation
32 commission, shall transfer jurisdiction of the road to the
33 city or county as appropriate. Before the transfer takes
34 place the department shall place the road and any structures
35 on the road in good repair for continued maintenance or

1 provide for the transfer of money to the appropriate
2 jurisdiction sufficient for the repairs to the road and any
3 structures on the road. If the department cannot come to
4 agreement with the jurisdiction to which the road is
5 transferred as to the necessary repairs, they shall submit the
6 matter for binding arbitration to a mutually agreed-upon third
7 party. If the parties cannot agree upon a third-party
8 arbitrator, they shall submit the matter to an arbitrator
9 selected under the rules of the American arbitration
10 association. Section 306.43 does not apply to transfers of
11 jurisdiction under this subsection.

12 Sec. 6. Section 313.21, Code 1989, is amended to read as
13 follows:

14 313.21 PRIMARY EXTENSION IMPROVEMENTS IN CITIES.

15 ~~The department, is hereby given authority, subject to the~~
16 ~~approval of~~ upon consultation with the council, to may
17 construct, reconstruct, improve, and maintain extensions of
18 the primary road system within any city, including the
19 construction, reconstruction, and improvement of storm sewers
20 and electrical traffic control devices reasonably incident and
21 necessary thereto, provided that such. However, the
22 improvement, exclusive of storm sewers, shall not exceed in
23 width that of the primary road system and the amount of funds
24 expended in any one year shall not exceed thirty-five percent
25 of the primary road construction fund.

26 ~~The phrase "subject to approval of the council," as it~~
27 ~~appears in this section, shall be construed as authorizing~~
28 department shall consult with the council to consider said the
29 proposed improvements improvement in its relationship to
30 municipal improvements (such as sewers, water lines,
31 sidewalks, and other public improvements, and the
32 establishment or re-establishment of street grades). The
33 location of said the primary road extensions and the location,
34 design, and degree of access control for improvements to them
35 shall be determined by the department.

1 relocation, or other improvements to the network result in a
2 change in the function of a bypassed primary road, municipal
3 extension of a primary road, or other connecting road, the
4 state department of transportation, upon approval of the state
5 transportation commission, shall transfer jurisdiction of the
6 road to the city or county as appropriate. Before the
7 transfer takes place, the department shall place the road and
8 any structures on the road in good repair for continued main-
9 tenance or provide for the transfer of money to the appro-
10 priate jurisdiction sufficient for the repairs to the road and
11 any structures on the road. In case the department cannot
12 come to agreement with the jurisdiction to which the road is
13 transferred as to the necessary repairs, the matter shall be
14 submitted to binding arbitration.

15 Section 1 provides for binding arbitration between cities
16 and the state department of transportation when agreements
17 cannot be made as to the construction, reconstruction, repair,
18 maintenance, and division of costs on municipal extensions of
19 primary roads.

20 Section 2 allows the state department of transportation
21 greater latitude in determining the routing of highways iden-
22 tified as part of the network of commercial and industrial
23 highways. The section also expands the department's control
24 to determine necessary access controls on roads classified as
25 freeway-expressway to ensure the safe and efficient movement
26 of traffic.

27 Section 3 allows the state department of transportation to
28 consider the development of the network of commercial and in-
29 dustrial highways in determining its need for rights-of-way.
30 The department is allowed to preserve rights-of-way for im-
31 provements to the network of commercial and industrial
32 highways by acquiring options, easements, rights of first
33 refusal, or other property interests less than fee title.

34 Section 6 expands the authority of the state department of
35 transportation in the construction, reconstruction, improve-

1 ment, and maintenance of primary road extensions within a
2 city. The department is required to consult with a city's
3 council as to the improvement of storm sewers and electrical
4 traffic control devices reasonably incident and necessary to
5 the construction, reconstruction, improvement, and maintenance
6 of the primary road extensions. However, the location of the
7 primary road extensions and the location, design, and degree
8 of access control for improvements to the primary road
9 extensions are to be determined by the department.

10 Section 7 adds the definition of "commission" to chapter
11 313.

12 Section 8 eliminates the requirement that the state depart-
13 ment of transportation receive approval from the applicable
14 city council prior to its elimination of dangers at railroad
15 crossings or the construction, reconstruction, improvement, or
16 repair of a primary road extension located within a city.

17 This bill may include a state mandate as defined in section
18 25B.3.

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House Trans. Amend of DO pass per amend. 3938 4-10-89 (p. 1441)

SENATE FILE 408
BY FUHRMAN and WELSH

(AS AMENDED AND PASSED BY THE SENATE MARCH 27, 1989)

- New Language by the Senate

Passed Senate, Date 3/27/89 (p. 1018) Passed House, Date 4-14-89 (p. 1608)
Vote: Ayes 49 Nays 0 Vote: Ayes 80 Nays 16
Approved 55-89 (p. 2162)

A BILL FOR

1 An Act relating to roads, including roads identified by the state
2 transportation commission as a network of commercial and
3 industrial highways, by establishing the purpose of the
4 network, by providing the terms for the improvement of the
5 network, and by altering concurrent jurisdiction of extensions
6 of primary roads in municipalities.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 408

H-3938

1 Amend Senate File 408 as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 4, by striking lines 4 through 12 and
4 inserting the following: "markets."

By COMMITTEE ON TRANSPORTATION
CONNOLLY of Dubuque

H-3938 FILED APRIL 10, 1989
lost 4-14-89 (p. 1607)

S.F. 408

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1 Section 1. Section 306.4, subsection 3, Code 1989, is
2 amended to read as follows:

3 3. Jurisdiction and control over the municipal street
4 system shall be vested in the governing bodies of each
5 municipality; except that the department and the municipal
6 governing body shall exercise concurrent jurisdiction over the
7 municipal extensions of primary roads in all municipalities.
8 ~~The parties exercising~~ When concurrent jurisdiction ~~shall~~
9 ~~enter into agreements with each other~~ is exercised, the
10 department shall consult with the municipal governing body as
11 to the kind and type of construction, reconstruction, repair,
12 and maintenance and the two parties shall enter into
13 agreements with each other as to the division of costs
14 thereof.

15 When the two parties cannot initially come to agreement as
16 to the division of costs under this subsection, they shall
17 contract with an organization in this state to provide
18 mediation services. The costs of the mediation services shall
19 be equally allocated between the two parties. If after
20 submitting to mediation the parties still cannot come to
21 agreement as to the division of costs, the mediator shall sign
22 a statement that the parties did not reach an agreement, and
23 the parties shall then submit the matter for binding
24 arbitration to a mutually agreed-upon third party. If the
25 parties cannot agree upon a third-party arbitrator, they shall
26 submit the matter to an arbitrator selected under the rules of
27 the American arbitration association.

28 Sec. 2. Section 306.9, Code 1989, is amended to read as
29 follows:

30 306.9 DIAGONAL ROADS -- RESTORING AND IMPROVING EXISTING
31 ROADS.

32 ~~It is declared to be~~ the policy of the state of Iowa that
33 relocation of primary highways through cultivated land shall
34 be avoided to the maximum extent possible. ~~Whenever~~ When the
35 volume of traffic for which the road is designed or other

1 conditions, including designation as part of the network of
2 commercial and industrial highways, require such relocation,
3 diagonal routes shall be avoided wherever if feasible and
4 prudent alternatives consistent with efficient movement of
5 traffic exist.

6 ~~It is further declared that~~ The improvement of two-lane
7 roads shall utilize the existing ~~right-of-way~~ right-of-way
8 unless alignment or other conditions, including designation as
9 part of the network of commercial and industrial highways,
10 make changes imperative, and when any a two-lane road is
11 expanded to a four-lane road, the normal procedure ~~would~~ shall
12 be that the additional ~~right-of-way-would~~ right-of-way be
13 contiguous to the existing ~~right-of-way~~ right-of-way unless
14 relocated for compelling reasons, including the need to
15 provide efficient movement of traffic on the network of
16 commercial and industrial highways. This policy ~~shall~~ does
17 not apply to ~~any a~~ any a highway project for which the corridor has
18 been approved by the state department of transportation and
19 ~~which the~~ the corridor has been finalized by September 1, 1977.

20 ~~It is further declared to be~~ the policy of the state of
21 Iowa that on construction of roads classified as freeway-
22 expressway and which are designed with four-lane divided
23 roadways, access controls shall be limited to the minimum
24 level necessary as determined by the department to ensure the
25 safe and efficient movement of traffic or to comply with
26 federal aid requirements.

27 Unless otherwise required by the federal law or regulation,
28 it is also the policy of this state that road use tax fund
29 moneys shall be used to rehabilitate or reconstruct existing
30 roads, streets, and bridges using substantially existing ~~right~~
31 ~~of-way~~ right-of-way. This paragraph ~~shall~~ does not apply
32 where additional ~~right-of-way~~ right-of-way is needed for the
33 construction or completion of designated interstate or city
34 routes and highway bypasses or highways designated as part of
35 the network of commercial and industrial highways.

1 Sec. 3. Section 307.36, Code 1989, is amended to read as
2 follows:

3 307.36 PROJECT NEEDS -- RETENTION OF PROPERTY.

4 It is the intent of the general assembly that not later
5 than July 1, 1992, the state department of transportation
6 shall dispose of all right-of-way owned by the department and
7 not needed for projects. In determining need, the department
8 shall consider both its five-year program requirements and its
9 long-range, statewide corridor development needs, including
10 the development of the network of commercial and industrial
11 highways. The department may also act to preserve right-of-
12 way for improvements to the network of commercial and
13 industrial highways by acquiring options, easements, rights of
14 first refusal, or other property interests less than fee
15 title. In determining need based upon long-range, statewide
16 corridor development, the department shall give careful
17 consideration to economically depressed urban areas not served
18 directly by the national system of interstate and defense
19 highways.

20 Sec. 4. Section 307A.2, subsection 14, unnumbered
21 paragraph 2, Code 1989, is amended to read as follows:

22 15. The-commission-shall-identify Identify, within the
23 primary road system, a network of commercial and industrial
24 highways in accordance with section 313.2A. The improvement
25 of this network shall be considered in the development of the
26 long-range program and plan of improvements under this
27 section.

28 Sec. 5. NEW SECTION. 313.2A COMMERCIAL AND INDUSTRIAL
29 HIGHWAYS.

30 1. PURPOSE. It is the purpose of this section to enhance
31 opportunities for the development and diversification of the
32 state's economy through the identification and improvement of
33 a network of commercial and industrial highways. The network
34 shall consist of interconnected routes which provide long
35 distance route continuity. The purpose of this highway

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network shall be to improve the flow of commerce; to make
2 travel more convenient, safe, and efficient; and to better
3 connect Iowa with regional, national, and international
4 markets. The commission shall concentrate a major portion of
5 its annual construction budget on this network of commercial
6 and industrial highways. In order to ensure the greatest
7 possible availability of funds for the improvement of the
8 network primary highway funds shall not be spent beyond
9 continuing maintenance for improvements to route segments that
10 will be bypassed by the relocation of portions of the
11 commercial and industrial highway network except as provided
12 in subsection 4.

13 2. NETWORK SELECTION. The commission shall identify,
14 within the primary road system, a network of commercial and
15 industrial highways. The commission shall consider all of the
16 following factors in the identification of this network:

17 a. The connection by the most direct routes feasible of
18 major urban areas and regions of the state to each other and
19 to the national system of interstate and defense highways and
20 priority routes in adjacent states.

21 b. The existence of high volumes of total traffic and
22 commercial traffic.

23 c. Long distance traffic movements.

24 d. Area coverage and balance of spacing with service to
25 major growth centers within the state.

26 The network of commercial and industrial highways shall not
27 exceed two thousand five hundred miles including municipal
28 extensions of these highways.

29 3. STANDARDS. The department shall establish standards
30 pertaining to the specific location, design, and access
31 control for each segment of the commercial and industrial
32 highways.

33 4. JURISDICTIONAL TRANSFERS. When the construction,
34 reconstruction, relocation, or other improvement to the
35 network of commercial and industrial highways results in a

1 change in the function of a bypassed primary road, municipal
2 extension of a primary road, or other connecting road, the
3 department, upon approval of the state transportation
4 commission, shall transfer jurisdiction of the road to the
5 city or county as appropriate. Before the transfer takes
6 place the department shall place the road and any structures
7 on the road in good repair for continued maintenance or
8 provide for the transfer of money to the appropriate
9 jurisdiction sufficient for the repairs to the road and any
10 structures on the road. If the department cannot come to
11 agreement with the jurisdiction to which the road is
12 transferred as to the necessary repairs, they shall contract
13 with an organization in this state to provide mediation
14 services. The costs of the mediation services shall be
15 equally allocated between the parties. If after submitting to
16 mediation the parties still cannot come to agreement as to the
17 necessary repairs, the mediator shall sign a statement that
18 the parties did not reach an agreement, and the parties shall
19 then submit the matter for binding arbitration to a mutually
20 agreed-upon third party. If the parties cannot agree upon a
21 third-party arbitrator, they shall submit the matter to an
22 arbitrator selected under the rules of the American
23 arbitration association. Section 306.43 does not apply to
24 transfers of jurisdiction under this subsection.

25 Sec. 6. Section 313.21, Code 1989, is amended to read as
26 follows:

27 313.21 PRIMARY EXTENSION IMPROVEMENTS IN CITIES.

28 The department, ~~is hereby given authority, subject to the~~
29 ~~approval of~~ upon consultation with the council, to may
30 construct, reconstruct, improve, and maintain extensions of
31 the primary road system within any city, including the
32 construction, reconstruction, and improvement of storm sewers
33 and electrical traffic control devices reasonably incident and
34 necessary thereto, ~~provided that such.~~ However, the
35 improvement, exclusive of storm sewers, shall not exceed in

1 width that of the primary road system and the amount of funds
2 expended in any one year shall not exceed thirty-five percent
3 of the primary road construction fund.

4 The phrase ~~"subject to approval of the council," as it~~
5 ~~appears in this section, shall be construed as authorizing~~
6 department shall consult with the council to consider said the
7 proposed improvements improvement in its relationship to
8 municipal improvements (such as sewers, water lines,
9 sidewalks, and other public improvements, and the
10 establishment or re-establishment of street grades). The
11 location of said the primary road extensions and the location,
12 design, and degree of access control for improvements to them
13 shall be determined by the department.

14 Sec. 7. Section 313.42, Code 1989, is amended to read as
15 follows:

16 313.42 ~~DEFINITION~~ DEFINITIONS.

17 As used in this chapter, unless the context otherwise
18 requires, ~~"department":~~

- 19 1. "Department" means the state department of
20 transportation.
- 21 2. "Commission" means the state transportation commission.

22 Sec. 8. Section 314.5, unnumbered paragraph 1, Code 1989,
23 is amended to read as follows:

24 The agency in control of ~~any a secondary road or any~~
25 ~~primary road is authorized,~~ subject to approval of the
26 council, ~~to may~~ eliminate danger at railroad crossings and ~~to~~
27 construct, reconstruct, improve, repair, and maintain any road
28 or street which is an extension of ~~such the secondary road~~
29 within ~~any a~~ city. ~~Provided, that~~ However, this authority
30 ~~shall~~ does not apply to the extensions of secondary roads
31 located in cities over twenty-five hundred population, where
32 the houses or business houses average less than two hundred
33 feet apart.

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SENATE FILE 408

AN ACT

RELATING TO ROADS, INCLUDING ROADS IDENTIFIED BY THE STATE TRANSPORTATION COMMISSION AS A NETWORK OF COMMERCIAL AND INDUSTRIAL HIGHWAYS, BY ESTABLISHING THE PURPOSE OF THE NETWORK, BY PROVIDING THE TERMS FOR THE IMPROVEMENT OF THE NETWORK, AND BY ALTERING CONCURRENT JURISDICTION OF EXTENSIONS OF PRIMARY ROADS IN MUNICIPALITIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 306.4, subsection 3, Code 1989, is amended to read as follows:

3. Jurisdiction and control over the municipal street system shall be vested in the governing bodies of each municipality; except that the department and the municipal governing body shall exercise concurrent jurisdiction over the municipal extensions of primary roads in all municipalities. ~~The parties exercising~~ When concurrent jurisdiction shall enter into agreements with each other is exercised, the department shall consult with the municipal governing body as to the kind and type of construction, reconstruction, repair, and maintenance and the two parties shall enter into agreements with each other as to the division of costs thereof.

When the two parties cannot initially come to agreement as to the division of costs under this subsection, they shall contract with an organization in this state to provide mediation services. The costs of the mediation services shall be equally allocated between the two parties. If after submitting to mediation the parties still cannot come to agreement as to the division of costs, the mediator shall sign a statement that the parties did not reach an agreement, and the parties shall then submit the matter for binding

arbitration to a mutually agreed-upon third party. If the parties cannot agree upon a third-party arbitrator, they shall submit the matter to an arbitrator selected under the rules of the American arbitration association.

Sec. 2. Section 306.9, Code 1989, is amended to read as follows:

306.9 DIAGONAL ROADS -- RESTORING AND IMPROVING EXISTING ROADS.

It is declared-to-be the policy of the state of Iowa that relocation of primary highways through cultivated land shall be avoided to the maximum extent possible. Whenever When the volume of traffic for which the road is designed or other conditions, including designation as part of the network of commercial and industrial highways, require such relocation, diagonal routes shall be avoided wherever if feasible and prudent alternatives consistent with efficient movement of traffic exist.

~~It is further declared that~~ The improvement of two-lane roads shall utilize the existing right-of-way right-of-way unless alignment or other conditions, including designation as part of the network of commercial and industrial highways, make changes imperative, and when any a two-lane road is expanded to a four-lane road, the normal procedure would shall be that the additional right-of-way-would right-of-way be contiguous to the existing right-of-way right-of-way unless relocated for compelling reasons, including the need to provide efficient movement of traffic on the network of commercial and industrial highways. This policy shall does not apply to any a highway project for which the corridor has been approved by the state department of transportation and which the corridor has been finalized by September 1, 1977.

It is further-declared-to-be the policy of the state of Iowa that on construction of roads classified as freeway-expressway and which are designed with four-lane divided roadways, access controls shall be limited to the minimum

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level necessary as determined by the department to ensure the safe and efficient movement of traffic or to comply with federal aid requirements.

Unless otherwise required by the federal law or regulation, it is also the policy of this state that road use tax fund moneys shall be used to rehabilitate or reconstruct existing roads, streets, and bridges using substantially existing right-of-way right-of-way. This paragraph shall does not apply where additional right-of-way right-of-way is needed for the construction or completion of designated interstate or city routes and highway bypasses or highways designated as part of the network of commercial and industrial highways.

Sec. 3. Section 307.36, Code 1989, is amended to read as follows:

307.36 PROJECT NEEDS -- RETENTION OF PROPERTY.

It is the intent of the general assembly that not later than July 1, 1992, the state department of transportation shall dispose of all right-of-way owned by the department and not needed for projects. In determining need, the department shall consider both its five-year program requirements and its long-range, statewide corridor development needs, including the development of the network of commercial and industrial highways. The department may also act to preserve right-of-way for improvements to the network of commercial and industrial highways by acquiring options, easements, rights of first refusal, or other property interests less than fee title. In determining need based upon long-range, statewide corridor development, the department shall give careful consideration to economically depressed urban areas not served directly by the national system of interstate and defense highways.

Sec. 4. Section 307A.2, subsection 14, unnumbered paragraph 2, Code 1989, is amended to read as follows:

15. The commission shall identify identify, within the primary road system, a network of commercial and industrial

highways in accordance with section 313.2A. The improvement of this network shall be considered in the development of the long-range program and plan of improvements under this section.

Sec. 5. NEW SECTION. 313.2A COMMERCIAL AND INDUSTRIAL HIGHWAYS.

1. PURPOSE. It is the purpose of this section to enhance opportunities for the development and diversification of the state's economy through the identification and improvement of a network of commercial and industrial highways. The network shall consist of interconnected routes which provide long distance route continuity. The purpose of this highway network shall be to improve the flow of commerce; to make travel more convenient, safe, and efficient; and to better connect Iowa with regional, national, and international markets. The commission shall concentrate a major portion of its annual construction budget on this network of commercial and industrial highways. In order to ensure the greatest possible availability of funds for the improvement of the network primary highway funds shall not be spent beyond continuing maintenance for improvements to route segments that will be bypassed by the relocation of portions of the commercial and industrial highway network except as provided in subsection 4.

2. NETWORK SELECTION. The commission shall identify, within the primary road system, a network of commercial and industrial highways. The commission shall consider all of the following factors in the identification of this network:

- a. The connection by the most direct routes feasible of major urban areas and regions of the state to each other and to the national system of interstate and defense highways and priority routes in adjacent states.
- b. The existence of high volumes of total traffic and commercial traffic.
- c. Long distance traffic movements.

d. Area coverage and balance of spacing with service to major growth centers within the state.

The network of commercial and industrial highways shall not exceed two thousand five hundred miles including municipal extensions of these highways.

3. STANDARDS. The department shall establish standards pertaining to the specific location, design, and access control for each segment of the commercial and industrial highways.

4. JURISDICTIONAL TRANSFERS. When the construction, reconstruction, relocation, or other improvement to the network of commercial and industrial highways results in a change in the function of a bypassed primary road, municipal extension of a primary road, or other connecting road, the department, upon approval of the state transportation commission, shall transfer jurisdiction of the road to the city or county as appropriate. Before the transfer takes place the department shall place the road and any structures on the road in good repair for continued maintenance or provide for the transfer of money to the appropriate jurisdiction sufficient for the repairs to the road and any structures on the road. If the department cannot come to agreement with the jurisdiction to which the road is transferred as to the necessary repairs, they shall contract with an organization in this state to provide mediation services. The costs of the mediation services shall be equally allocated between the parties. If after submitting to mediation the parties still cannot come to agreement as to the necessary repairs, the mediator shall sign a statement that the parties did not reach an agreement, and the parties shall then submit the matter for binding arbitration to a mutually agreed-upon third party. If the parties cannot agree upon a third-party arbitrator, they shall submit the matter to an arbitrator selected under the rules of the American arbitration association. Section 306.43 does not apply to transfers of jurisdiction under this subsection.

Sec. 6. Section 313.21, Code 1989, is amended to read as follows:

313.21 PRIMARY EXTENSION IMPROVEMENTS IN CITIES.

The department, ~~is hereby given authority, subject to the approval of~~ upon consultation with the council, to may construct, reconstruct, improve, and maintain extensions of the primary road system within any city, including the construction, reconstruction, and improvement of storm sewers and electrical traffic control devices reasonably incident and necessary thereto; ~~provided that such.~~ However, the improvement, exclusive of storm sewers, shall not exceed in width that of the primary road system and the amount of funds expended in any one year shall not exceed thirty-five percent of the primary road construction fund.

~~The phrase "subject to approval of the council," as it appears in this section, shall be construed as authorizing the department shall consult with the council to consider said the proposed improvements~~ improvement in its relationship to municipal improvements (such as sewers, water lines, sidewalks, and other public improvements, and the establishment or re-establishment of street grades). The location of said the primary road extensions and the location, design, and degree of access control for improvements to them shall be determined by the department.

Sec. 7. Section 313.42, Code 1989, is amended to read as follows:

313.42 DEFINITION DEFINITIONS.

As used in this chapter, unless the context otherwise requires, "department";

1. "Department" means the state department of transportation.

2. "Commission" means the state transportation commission.

Sec. 8. Section 314.5, unnumbered paragraph 1, Code 1989, is amended to read as follows:

The agency in control of ~~any a secondary road or any primary road is authorized,~~ subject to approval of the council, to may eliminate danger at railroad crossings and to construct, reconstruct, improve, repair, and maintain any road or street which is an extension of ~~such the secondary~~ road within any a city. ~~Provided, that However,~~ this authority ~~shall~~ does not apply to the extensions of secondary roads located in cities over twenty-five hundred population, where the houses or business houses average less than two hundred feet apart.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 408, Seventy-third General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved 5/5, 1989

TERRY E. BRANSTAD
Governor